

CN Energy Expands into Multi-Billion Dollar Water Purification Market

LISHUI, China, Nov. 10, 2021 /PRNewswire/ -- CN Energy Group, Inc. (the "Company"), a China-based manufacturer and supplier of wood-based activated carbon and a producer of biomass electricity, today announced plans to expand into the multi-billion dollar water purification market. The global water purification market is projected to grow from \$29.12 billion in 2021 to \$47.53 billion in 2028 at a CAGR of 7.2% in the forecast period, 2021 to 2028. (Source: Fortune Business Insights)

As part of the Company's business strategy, it has established a new subsidiary to focus on this new market opportunity in order to participate in this expanding market. The new subsidiary, Zhejiang CN Energy New Material Co., Ltd. ("Zhejiang CN Energy"), is located in the Economic and Technological Development Zone of Lishui City, Zhejiang Province. Construction is underway on facilities for manufacturing, R&D, sales and marketing, and corporate operations.

Zhejiang CN Energy's new facilities are expected to feature a state-of-the-art inspection and quality control laboratory, and a high-efficiency charcoal separation processing production line, with a targeted annual output capacity of 36,000 tons of high-precision fine wading activated carbon.

Mr. Kangbin Zheng, the Company's Chairman and CEO, noted, "This endeavor is expected to be a major expansion of our market, which will create significant new revenue and profit opportunities. The water purification market is a sustainable one, with international demand and healthy growth expected over a multi-year period. Shortages of clean water and demand for filtration products have surged with the global pandemic, and have resulted in investments in environmentally friendly businesses and innovations, such as smart water purifiers."

Mr. Zheng continued, "By controlling our own water wading license, production and quality control, we plan to have a rare, fully integrated business, able to ramp production faster and ensure that high volumes of purified water required by customers serving the industrial, residential, domestic and international markets are available. Longer-term initiatives we are also actively investigating involve other complementary business opportunities in the downstream sectors of the activated carbon industry, which may further expand our competitive advantage, as well as build value for shareholders."

Water purification activated carbon is generally columnar particles, with a large microporous surface area, giving them high mechanical strength, fast absorption speed, a high purification level and a longer product life. In addition to water purification, activated carbon is widely used in the chemical, electronic, medicinal, printing and dyeing, and food industries, which require reliable filtration, adsorption, purification, and the removal of impurities, including odors, chlorine, cyanide and a variety of heavy metal ions and other harmful substances.

About CN Energy Group, Inc.

CN Energy Group, Inc. (NASDAQ: CNEY) is a manufacturer and supplier of high-quality wood-based activated carbon and biomass electricity. The Company also provides activated carbon-related technical services used by food and beverage producers, industrial manufacturers, pharmaceutical manufacturers, and environmental protection enterprises. The Company's current facility is located in Tahe County, Heilongjiang Province, near the Greater Khingan Range, in close proximity to its suppliers. For more information, please visit the Company's website at www.cneny.com.

Forward-Looking Statements

Certain statements, other than statements of historical fact, made in this announcement are forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties, including the further spread of the COVID-19 virus or new variants thereof, or the occurrence of another wave of cases and the impact it may have on the Company's operations and the demand for the Company's products, and are based on current expectations and projections about future events and financial trends that the Company believes may affect its financial condition, results of operations, business strategy, and financial needs. Investors can identify these forward-looking statements by words or phrases such as "may," "will," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "potential," "continue," "is/are likely to" or other similar expressions. The Company undertakes no obligation to update forward-looking statements to reflect subsequent occurring events or circumstances, or changes in its expectations, except as may be required by law. Although the Company believes that the expectations expressed in these forward-looking statements are reasonable, it cannot assure you that such expectations will turn out to be correct, and the Company cautions investors that actual results may differ materially from the anticipated results and encourages investors to refer to its filings with SEC, including without limitation, Company's registration statements and other filings with the SEC that set forth certain risks and uncertainties that may have an impact on future results and direction of the

Company.

SOURCE CN Energy Group. Inc.

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